

**MINUTES OF THE COMMUNITY REDEVELOPMENT AGENCY BOARD MEETING
HELD ON TUESDAY, JUNE 8, 2010 AT 6:30 PM
IN CITY COMMISSION CHAMBERS, BOYNTON BEACH, FL 33435**

PRESENT:

Jose Rodriguez, Chair
Marlene Ross, Vice Chair
Bill Orlove
Woodrow Hay
Steve Holzman

Lisa Bright, Executive Director
James Cherof, Board Attorney

I. Call to Order - Chairman Jose Rodriguez

The meeting was called to order at 6:28 p.m. Chair Rodriguez commented a Special City Commission meeting would be held. Accordingly, the Community Redevelopment Agency Board would approve the agenda, recess for the City Commission meeting and reconvene the regular Community Redevelopment Agency meeting.

II. Pledge to the Flag and Invocation

Chair Rodriguez gave invocation. Mr. Orlove led the Pledge of Allegiance to the Flag.

III. Roll Call

The Recording Secretary called the roll. A quorum was present.

IV. Agenda Approval:

- A. Additions, Deletions, Corrections to the Agenda

Chair Rodriguez pulled Consent Agenda Items VII.A. and VII.D.

- B. Adoption of Agenda

Motion

Mr. Hay moved to approve the agenda. Vice Chair Ross seconded the motion. The motion passed.

Chair Rodriguez requested a motion to recess the meeting to accommodate the business of the City Commission.

Motion

Vice Chair Ross moved to recess for the City Item. Ms. Ross recused herself from the meeting due to her being an employee of the subject item. Mr. Orlove seconded the motion. The motion passed.

The Community Redevelopment Agency Board meeting recessed at 6:32 p.m.

The City Commission meeting was called to order at 6:32 p.m.

The City Commission meeting adjourned at 7:10 p.m.

The Community Redevelopment Agency Board meeting reconvened at 7:12 p.m.

V. Informational Items by Board Members & CRA Attorney:

Mr. Hay commented for the second month, the Community Redevelopment Agency Board staff was not present. He explained the City has a great Executive Director, and he thought it would behoove the Board to have the entire staff available for comments and input.

There was a brief discussion of this item and there was agreement the topic would be addressed under the Executive Director's Report as Item 12.D, Adopted Rules of Governance.

VI. Announcements & Awards:

A. Cops & Rodders – Police Dept. 90th Anniversary

Kathy Biscuiti, Special Events Director, announced on Saturday, the City would celebrate the Police Department's 90th Anniversary with a car show. Over 100 cars, and fire and police equipment would be on display. There would be live music from 10 a.m. to 4 p.m. on Ocean Avenue from Seacrest Boulevard to NE 1st. There would be children's activities, such as a rock-climbing wall, a dunk tank, airbrush tattoos, and food and drink vendors on site. The Youth Violence Prevention Program restored a 1953 police car, which would be unveiled at 12 noon. It would be a great family event.

Chair Rodriguez requested, as a future agenda item, including local downtown vendors in these events. It was critical that the businesses participate to help sustain the downtown. The current process for the concessions was to use local vendors for the smaller events. For the events attracting over 500 people, staff used a professional concession company because local businesses could not accommodate the larger sized crowd. Ms. Biscuiti worked with one, and the CRA received a percentage of the proceeds.

Mr. Orlove agreed with Chair Rodriguez's comments and inquired if local businesses could provide items other than meals. He commented if they were involved, it provided them with an opportunity to participate and advertise their establishments at the same time.

B. 4th of July – Salute to Independence

The Fourth of July event would be held on a Sunday at Intracoastal Park. The band would start at 6:30 p.m., the Patriotic Salute would commence at 7:30 p.m., and at 9 p.m., fireworks by Grucci would begin.

There was a question about the cost of the fireworks. Ms. Biscuiti responded they were paying the contracted price this year. She acknowledged, however, they had received a credit from Grucci in the past.

C. 2010 American Advertising Federation Award

Lisa Bright, Executive Director explained last summer, CRA staff created a downtown business Google Map interactive project and launched the project on a shoestring budget. She commended Margee Walsh, April Majoy and Kathy Biscuiti for their efforts on the project. As a result, the project received the 2010 Local Addie Award as the best interactive media online project for 2010.

The members congratulated staff on the accomplishment.

Chair Rodriguez requested a status report on the effectiveness of the project, and there was agreement the information would be added as a future agenda item.

VII. Consent Agenda:

A. Approval of Minutes - CRA Board Meeting May 11, 2010

This item was pulled by Chair Rodriguez.

B. Approval of Changes to April 13, 2010 CRA Board Meeting Minutes

C. Approval of Period Ended May 31, 2010 Financial Report

D. Approval of Budget Reallocation for Economic Development Programs

This item was pulled by Chair Rodriguez

E. Approval of Business Signage Grant to Flamingo Plaza

F. Approval of Rent Subsidy Grant to SGVK, Inc. d/b/a Boynton Realty

- G. Approval of Commercial Interior Build-out Grant to SGVK, Inc. d/b/a Boynton Realty

VIII. Pulled Consent Agenda Items:

- A. Approval of Minutes - CRA Board Meeting May 11, 2010

Mr. Hay made the following corrections:

- Page 4, sixth paragraph, "Chair Rodriguez ~~met~~ meets with . . . "
- Page 8, on the second motion, "Vice Chair Ross moved to ~~pull~~ approve Item F."

Chair Rodriguez referenced page 17, Item XI, Executive Director's Report, Small Business Development Program Survey and Testimonials from Students (1st Quarter Classes). He commented he signs the checks for the CRA expenses and inquired about a \$30,000 check he signed for police activity at the Sims Center. Ms. Bright explained she made an error. The amount was \$3,670, which included the Police Officers' salaries. He explained he was told the CRA was spending \$30,000 for security at the Sims Center for individuals to take Business Development classes, and the total price of the program was now \$60,000. He requested an alternate location for the program be found so they would not have to spend double the cost of the program on security.

Ms. Bright clarified it was the Community Redevelopment Agency Police Officers' salary and overtime. Since the Business Development program was an evening program, security was needed. Based on the explanation given, Chair Rodriguez was unsure the expenditure warranted securing another location, but he suggested it be considered when reviewing the next program class. Ms. Bright explained she met with the Technology Economic Development Center, and the expense would be included in the budget analysis. They would try to find another location that would not need security.

Motion

Mr. Hay moved to approve the minutes as read and corrected. Vice Chair Ross seconded the motion that passed.

- D. Approval of Budget Reallocation for Economic Development Programs

Mr. Holzman requested a snapshot of the program be given.

Ms. Bright explained the CRA was responsible for a Tax Increment Financing (TIF) agreement with the Preserve, and staff set aside \$50,000 in case the developer needed to draw down the funds this year. She confirmed with the Preserve's representative that they did not meet the criteria in order to request the draw down, and the money would

remain unused. Staff's recommendation was to reallocate the funds. Based on the four months usage of the Economic Development program, the unused TIF funds would be sufficient to fund the program through the end of the year. Ms Bright pointed out the items on the Consent Agenda would deplete those funds. Next year, \$50,000 would be needed if the required percentage of units reached the tax rolls. It was noted that while the developer constructed the additional units, they were rental units and not affordable-housing units.

The Direct Incentive Finance Agreement was tied to two items: the percentage of affordable housing units built within the project and the developer making a request to draw down the funds. The monies were budgeted and she confirmed the developer would not be drawing down the money this year. Accordingly, those funds could fund the Economic Development program. She also confirmed for this fiscal year, the CRA would not be offering any First-time Homebuyer Assistance grants in the Preserves.

Motion

Mr. Hay moved to approve. Mr. Orlove seconded the motion. The motion passed.

IX. Public Comments: (Note: comments are limited to 3 minutes in duration)

Herb Suss, 1711 Woodfern Drive, explained he received a call from the Galaxy Elementary School Principal about a meeting at the School Board tomorrow at 2:30. He was unsure what the meeting was about, but a second meeting about Galaxy Elementary School was scheduled for July 23rd. He requested every Board member try to attend.

Mr. Suss commented that rules and regulations should be obeyed. He contended the Executive Director put her staff in harms way during the last election supporting another candidate for Mayor. Mr. Suss had a copy of the Florida Statute and asserted a policy was broken and the Director should be held accountable. He read from the Community Redevelopment Agency Human Resources document:

"Community Redevelopment Agency employees shall not take any active part in political campaigns or other political activities during duty hours in accordance with Florida Statutes as amended."

He contended the staff, individuals in the audience and others on the dais witnessed the staff assisting another candidate.

Mr. Orlove announced he was going to discuss this matter because he had been approached to review it on a few occasions. There was agreement that further discussion would take place under that item.

Brian Edwards, 629 NE 9th Avenue, expressed his concern that there was more misinformation and misstatements about the facts regarding the Community Redevelopment Agency, and he thought it was embarrassing when the Board was supposed to be a team. The Board had previously voted on having a full Board in place, and the public was still hearing comments from two of the Board members preferring to seat only two new Board members now and the other five later. He thought the concept was ridiculous and asserted the comments were made by the Mayor. Mr. Edwards expressed in order for the team effort to work, the members had to work together. He noted the staff trained the current Community Redevelopment Agency Board and they were doing the job. The current Board was no smarter than the seven-member Board they would be appointing. He felt the faster the Board moved the matter on, the better.

Mark Karageorge, 240A Main Boulevard, explained the Preserve was holding a pet friendly event on Saturday; however, after a brief discussion, it was learned the event was cancelled. Chair Rodriguez explained the event would be rescheduled when it was cooler in order to accommodate the animals.

Additionally, the "Cops and Rodders" event was scheduled the same day. On a different matter, Mr. Karageorge announced he spoke with the management at Las Ventanas, who reported they recently reached the 60% residential occupancy rate. He advised it was a step forward for the Community Redevelopment Agency district.

Ron Washam, 127 S. Atlantic Drive West, requested the Board install an independent Community Redevelopment Agency. There were residents in the community who had the leadership experience, knowledge and the contacts needed for the position. He requested the Board remain steadfast in moving ahead with the independent Board. Individuals were willing to serve. He urged the Board to approve the applications, move forward and note that there were individuals willing to serve.

Joyce Pickel, 9 Colonial Club Drive, expressed a *Palm Beach Post* article indicated there were no applicants for the new Board. She inquired who would sign the checks and would have oversight of the expenses, where the applicants would come from and who would appoint them. She thought the action should be deferred or be put to a referendum to let the public decide.

Chair Rodriguez explained it had been two years since the independent Board was removed due to excessive spending. He agreed there were well-trained citizens who were skilled and good intentioned, but he pointed out he had a fiduciary responsibility to the City. The individuals appointed to a voluntary Board would have no accountability, nor would the City Commission have the authority to intervene in any decision they made, except to remove the entire Board for actions they felt were detrimental to the City. He expressed he had an obligation to protect the taxpayers. The item was voted on, and they were moving forward.

Mr. Hay announced he was receiving calls from constituents in his district about comments the Chair was making to them in an effort to gain support of putting two new members on the Board. Mr. Hay responded the matter was voted on and was being moved forward. He explained the Community Redevelopment Agency spends TIF funds, and he explained the methodology of how the funds were earned. As to the Board, there were many capable individuals in Boynton Beach. He commented when the City Commission assumed its role as the Community Redevelopment Agency Board, they did not have experience. He pointed out there were two new Commissioners who did not have experience. The Chair had no Mayoral experience as well, but because of their abilities and skills set, they were elected. The same was true for the Community Redevelopment Agency Board. Florida Statute 163 outlined how CRA Boards operate, and most municipalities have independent Boards. He expressed caution should be given when speaking with constituents from other districts. He does not like to be blindsided. The Rules of Governance should be discussed regarding how to deal with this.

Chair Rodriguez' understanding of the TIF funds differed from Mr. Hay's; however, Ms. Bright explained the topic would be discussed under her presentation later in the meeting. The Community Redevelopment Agency was not a taxing authority; they are a taxing district.

Vice Chair Ross commented she was aware of several individuals who contacted her indicating they were working on the application. She reviewed the deadline to submit the application was July 6, 2010.

X. Legal:

A. Implementation of Revised Dockage Agreement for Boynton Harbor Marina

Attorney Cherof explained the revised agreement was prepared by staff with Legal's assistance and given to the current dock lessees. The document would also be used by all new lessees. Ms. Bright announced all the lessees signed the agreement except for Hammertime.

Attorney Cherof advised Splashdown Divers filed a lawsuit against the Community Redevelopment Agency with multiple allegations and counts of wrongdoing, including interfering with the re-adoption of a new extended-term lease. The CRA filed a motion to dismiss. Due to the complexity of the issue, a special hearing date would be set in a month or two. Staff also contacted the Community Redevelopment Agency's insurance carrier to determine if they could pay for the defense of the case. Unfortunately, defense expenses were not covered under the current policy.

XI. Old Business:

- A. Consideration of Issuing an RFP for Development of Parcels on Martin Luther King, Jr. Blvd. (NE 10th Avenue and NE 9th Avenue)

Ms. Bright explained the Board had previously discussed this item. The City owned lots between Seacrest and Federal Highway, and the CRA had lots on NE 9th on the south side. With the land transfer, staff issued an RFP for a 1.56 acre, multi-family dwelling, and staff anticipated they would receive responses for a combination of townhomes or villas, or other uses allowed in residential areas. Ms. Bright advised she was aware there were people interested in knowing when the RFP would be issued and felt it would be well received.

Motion

Mr. Orlove moved to approve consideration of issuing an RFP for development of parcels on Martin Luther King, Jr. Boulevard. Mr. Hay seconded the motion.

There was discussion of the property having a multi-family zoning designation. The maximum density the land could accommodate would be up to 20 dwelling units per acre under the IPUD zoning classification.

Vivian Brooks, Assistant Director, noted the HOB development plan had a conflict between the land use map and the zoning map, which would come back to the Board. She also commented it was unlikely a developer would fit 20 units per acre on the property, due to constraints such as height limitations and parking. There were uses that would be appropriate for the property, and a Community Redevelopment Agency/City Commission public meeting to receive input on the land use change would be held. Then it would come back to the Board.

Vice Chair Ross questioned the privately-owned square footage of the property contained in the RFP. Ms. Brooks explained the wording in the RFP strongly urged the successful developer to acquire that land because the CRA would not acquire it. It was noted there was 11,400 square feet of privately-owned land included in the 1.560 acres. Without it, the parcel size was 1.29 acres.

Ms. Brooks explained RFPs could be issued for land CRAs did not own. Staff had done so with Intown Development and she noted it was a common industry practice. Chair Rodriguez felt it was misleading. At the request of the Chair, Attorney Cherof agreed to re-review the language.

Vote

There was a vote on the motion. The motion passed.

B. Consideration of Land Lease with the City of Boynton Beach for Property Located at Ocean Avenue and SE 4th Street

Ms. Bright explained the item pertained to the potential relocation of the Ruth Jones cottage. The CRA Board was required to approve the conditions of the land lease before it was forwarded to the City Commission. Staff worked with Attorney Cherof on the item, which was strictly a legal matter. If the item was approved by the City Commission, staff would bring back the interested parties. She clarified most of the interest was for a restaurant option and in moving the building to the future train stop abutting Ocean Avenue. A kitchen would be added because the parties wanted outdoor seating and a casual-style restaurant. A report would be prepared next month on both the 211 East Ocean home and this item, indicating whom the interested parties were, what incentives would be given, etc.

Motion

Mr. Holzman moved to approve the land lease agreement. Mr. Hay seconded the motion. The motion passed.

C. CRA Office Options

Last month the Board reviewed its options for a new CRA office location. Staff and the CRA's architect met with the owner of Holiday House. The building was gutted, needed a roof, a truss, heating and air conditioning and many other items. The cost to renovate the building was a minimum of \$100,000 to \$200,000, and the owner was amenable to considering sharing some of the costs with the Board. If the Board wanted to move in this direction, the cost would be about \$150,000. The amount listed was for the entire building and for the interior and exterior improvements. The owner, who was a major landowner, was also interested in the CRA purchasing the structure. He preferred to spend his funds on his other properties elsewhere in the City and wanted the CRA subsidy. Ms. Bright explained the management at Las Ventanas and Styles agreed to make the interior improvements.

Ms. Bright explained the reason the item was back on the agenda instead of having a negotiated lease was because the property owner of the current office location was unsuccessful in his bid to sell the property. Staff could remain another year under the reduced rate staff negotiated in 2009. She wanted to apprise the Board of the new option before proceeding further.

Chair Rodriguez expressed he felt the estimate for the Holiday House was grossly exaggerated and he hoped more accurate numbers would be presented in the future. He wanted to continue to pursue the Holiday House as the renovation was a significant opportunity for the CRA to redevelop the area. In regard to the option of staying in the same location, Chair Rodriguez wanted to re-approach the owner to see if the Board could obtain a six-month lease at a reduced rate. This would provide the opportunity to

continue to work with Holiday House. He recommended staying on course. It was noted renovating Holiday House could be accomplished in 45 days.

Mr. Hay wanted staff to remain at the current location, which would provide additional time for the economy to turn around and the CRA would not have to pay to relocate in addition to paying the renovation fees. He supported remaining at the current location for another year.

Mr. Holzman disagreed on the basis that the economy was down and the Board should not wait for a turnaround. He expressed this was the time to take advantage of the reduced rate and it could be an opportune time for the CRA to make an investment, lease the space and give staff the space they needed with the owner willing to bear the cost of the roof repairs and the interior improvements. The staff could customize the interior to meet their needs. He suggested continuing negotiating with Holiday House. As to the alternative option, Mr. Holzman proposed staff could negotiate a better rate. Entering into a six-month lease at the current location and then moving forward with Holiday House was the best option.

It was noted the owner was not present. Ms. Bright explained one of the reasons staff did not renovate the building was when Palermo's bakery needed a home, Ms. Brooks vigorously pursued Mr. D'Almeida to accommodate a wholesale bakery with retail option and he would not make the improvements for them. The building deteriorated. The architect provided the estimates for the repairs at \$20,000 for the roof; \$20,000 for the truss; \$20,000 for the HVAC, and the building had no plumbing or electrical. Ms. Bright requested further direction and reiterated she needed to provide the current landlord with proper notice of whether they would remain. If it was on a month-to-month basis, it would be a higher amount.

It was requested the landlord write an offer and bring it back to the Board.

Motion

Mr. Holzman moved to allow the Chair to negotiate with Holiday House and to continue negotiations with the Holiday House with the Executive Director and the Chair to determine a potential lease or buy option. Mr. Orlove seconded the motion. The motion passed 4-1 (*Mr. Hay dissenting.*)

Motion

Mr. Holzman moved to enter into negotiations with the current owner for a six-month lease. Mr. Orlove seconded the motion. The motion passed 4-1 (*Mr. Hay dissenting.*)

XII. Executive Director's Report

Mr. Holzman left the dais at 8:23 p.m.

A. Status of Ocean Breeze

Ms. Bright reviewed the information as contained on the agenda item. Staff recommended pursuing the development of the project and was working diligently to ensure the project would move forward.

Mr. Hay noted a discrepancy on the agenda item overview. Two corrections were made to the last two bullet points of the project overview, which were:

- “The total acreage of the Ocean Breeze site is 8.6 acres with 4.3 on the west side and 4.3 on the west east side.”
- “In the Heart of Boynton Redevelopment Plan the east side is proposed as multi-family and the east west side is proposed as single family.”

The project was a senior rental, multi-family complex. There would be no children at the development because it was required to be 80% comprised of seniors.

Mr. Holzman returned at 8:26 p.m.

Motion

Vice Chair Ross moved to approve. Mr. Hay seconded the motion. The motion passed.

B. Approval of CRA Staff Leave Report

Ms. Bright explained this item, pertaining to vacation leave, was discussed at the last meeting. In response to the discussion held, a report showing the leaves and the cost of the leave for each employee was presented. As a point of record, Ms. Bright explained government employees accrue time per pay period and it would not max out until the established limit was reached. Staff members could accrue a maximum of 480 hours or 60 days of sick time and 320 hours or a total of 40 days for vacation. The amount was carried in the fund balance, recorded on the balance sheet as an account payable item, and was audited each year.

Chair Rodriguez explained there was \$104,000 that the CRA was responsible to have and he noted it did not appear that staff was required to take vacation. Ms. Harris was not certain, but commented to her knowledge only individuals working in Finance were required to take a vacation.

This aspect was of concern to Chair Rodriguez because when the time accrued, it accrued at a higher rate. He also pointed out he had a concern about the lack of a policy requiring employees to take two weeks a year.

Ms. Bright commented when the review of the administrative policy was discussed last year, leave did not come up. Chair Rodriguez requested the item be placed on the agenda

Mr. Hay explained an employee was required to take vacation time when they reached the maximum accrual allowed. Most people wanted to accrue what the law allowed, and he preferred to accrue his hours in case he got sick and needed to use them. Vice Chair Ross also inquired if the policy was similar to the City's policy.

Chair Rodriguez explained the item was on the agenda because a question was posed about how much vacation time the Executive Director received and how much was used. He commented he still had not received a response. The Executive Director sent a report indicating she took eight days this year, and Chair Rodriguez contended she missed a date, which he vividly recalled. A meeting was scheduled and Ms. Brooks attended the meeting with him in Ms. Bright's stead. He felt there was a constant battle to receive basic information.

Vice Chair Ross expressed she was uncomfortable with the questioning, and she thought it was unacceptable. She explained the staff members were decent and hardworking employees.

Chair Rodriguez read the following from the Boynton Beach CRA Rules of Governance:

"Nothing in the foregoing is to be construed to prohibit the Community Redevelopment Agency Board from closely scrutinizing, by questions and personal observations, all aspects of CRA operations so as to obtain independent information to assist them in the formation of sound policies to be considered by the CRA Board."

Ms. Bright explained while Chair Rodriguez was a Commissioner before the election, he refused to meet with her. She responded to Chair Rodriguez's comments regarding the meeting he alluded to earlier. She expressed she had great confidence in Ms. Brooks and in her ability to attend the meeting. Ms. Bright had intended to be on vacation but cancelled and was at another meeting with Attorney Cherof and Vice Chair Ross. She explained the constant badgering and insinuations of malfeasance or of her not doing her job have not been proven in five years. She tries to be cooperative and she gives items to the Assistant Director, which was within her authority under the Rules of Governance.

Chair Rodriguez commented he still did not know how much vacation time she took from June 2009 until April 2010.

Mr. Hay inquired about the comp time and extra hours Ms. Bright puts in the job. Chair Rodriguez explained the Executive Director does not get comp time nor was it in her contract. Mr. Hay suggested the two work it out between themselves and Legal. He

was unsure what Chair Rodriguez was attempting to do. In response to an inquiry about the matter, Attorney Cherof advised the Executive Director should provide information to the Board when requested.

Ms. Bright sought clarification and indicated one request was for how much time she took between June 2009 and April 10. She explained the request was different from what Mr. Holzman requested which was for a rolling log.

There was agreement that all that was wanted was the amount of days taken from June 2009 to the present day. Ms. Bright agreed to provide the information by Friday.

Tracking the leave time was an audit function. Ms. Bright distributed correspondence regarding the Clydesdale event. She explained Mr. Therien approached the City Manager about holding an event and approached the Mayor about holding a processional because the Clydesdales were coming into town. Mr. Therien sent an email to Mr. Bressner January 21, 2010 indicating there was a time change. A copy of the email is attached to the meeting minutes.

Kathy Biscuiti, in her responsibility as the City/CRA Special Events Manager, coordinated in front of the Children's Schoolhouse Museum, set-up a table for the Community Redevelopment Agency materials and was there to assist with the photography, children and the entire event, as was Ms. Majoy. Ms. Biscuiti and Ms. Majoy were responsible for following the horses, which left the Children's Schoolhouse staging area at approximately 4:30 p.m. to head back down to the Banana Boat. This was on the CRA website and YouTube. The processional proceeded all the way to the back of Banana Boat area, which was the horses' staging area until 7 p.m. Ms. Biscuiti and Ms. Majoy were finished with their workday and were off duty. Ms. Bright advised that they were seen setting up tables at a political event, but she was not present and could not comment. She offered Ms. Biscuiti spent the entire day until after 5 p.m. handling the event on behalf of the City.

Ms. Bright clarified she was responding to a specific statement that was read to Ms. Bright and Chair Rodriguez at a meeting yesterday and information Mr. Orlove provided her with regarding what she was to respond to publicly. Chair Rodriguez explained the public input he received was there were accusations of Community Redevelopment Agency staff supporting political activity. He witnessed CRA staff during the day assisting the fundraiser taking place that day being assembled on Ocean Avenue. Ms. Bright was unaware of that occurring and requested he be specific. She witnessed Mr. Brake, when she was lunching with Mr. Weiland and his family at Hurricane Alley.

Mr. Orlove explained he brought the matter up since he was told to look into the matter and he wanted to address the matter and put it to rest because it was circulating for a few months. Ms. Biscuiti and Ms. Majoy were working the event. When they finished, they were then seen at another political event for Ron Weiland. He inquired if those

employees were off the clock and read the guidelines for the CRA Employee handbook into the record as follows:

“No CRA employee shall take any active part in political campaigns or other political activities during duty hours. In accordance with Florida Statutes, as amended, employees are prohibited from engaging in certain types of political activities while either on or off duty. Employees, in their private capacities, may express their opinions on any political candidate or issue and/or participate in campaigns during their off-duty hours; however, they are prohibited from using their official authority or influence or appearance of doing so through the wearing of CRA uniforms or official attire, or in CRA vehicles while participating in political campaigns, for the purpose of aiding or interfering with an election or nomination, or coercing or influencing another person’s vote or affecting the result thereof.”

Mr. Holzman explained he saw staff assist former Commissioner Weiland with his tent when he was having lunch at Hurricane Alley. He had no problem with staff helping anyone on off-duty hours, but it was an election event at 1 p.m. and it was not on off duty hours. It was noted staff could have been on their lunch hour.

Chair Rodriguez explained there were violations taking place. On February 3 or 4th there was a meeting called by the former Mayor with Chair Rodriguez’s campaign consultant and at which Ms. Bright was present and took part in. The gist of it was to not support Mr. Rodriguez. Chair Rodriguez read the following email into the record:

“Jerry, Lisa Bright and I met at Prime Catch during working hours. It was February 3rd or 4th. The purpose of the meeting which was arranged by Jerry was for me to hear the reasons why you are no good (speaking of me) and to convince me (her) not to help you with your campaign. It was basically that you had no support in the community, you are rude to citizens, mean to the staff, arrogant to everyone else. Your relationship with Sarah, my fiancé at the time, now my wife, was a show. You’ll never get married once the campaign is over. You really don’t care I really don’t care about Boynton Beach, you are using this as stepping stones to go to bigger things. You don’t understand the Police Station issue. The station was never going anywhere but to the west. It would never be downtown. Incidents named were police issues, conflict with Lisa, not listening to anyone who comes before the Commission to name a few. You would be lucky, (I would be lucky) to come in third in the Mayor’s race. Their candidate was Ron Weiland. He would be the winner over Brian Edwards. You wouldn’t make the run-off. She also says she wouldn’t go to the Commission meetings anymore because there was no reason to. It wasn’t necessary. They were both, Jerry Taylor and Lisa Bright, trying to convince me, my campaign consultant, not to work with me.”

Chair Rodriguez's campaign consultant was not present. He felt this was a serious matter, not only in this campaign but for future campaigns and staff needed to be scrutinized as their behavior was inappropriate. State Statute spoke to it and he thought an investigation should be launched. Chair Rodriguez sought legal counsel in the matter.

Attorney Cherof explained any member of the Board with a complaint has the authority to pursue it with the State Commission on Ethics or the State Attorney. This could be done individually or done collectively. The Board could hire someone to conduct an investigation to advise the Board what recourse was available.

When asked if, in lieu of going through those agencies, or through his directive whether he would handle the investigation and report the findings to the Board, Attorney Cherof responded he would not be comfortable conducting an investigation of the Executive Director. He works for the Board, but with the Executive Director. He suggested in these circumstances, the Board could retain an individual who could report directly to the Board. His role was limited, which was to ensure proper procedure was followed, and to ensure due process was afforded the Executive Director in the process of that investigation.

Chair Rodriguez requested a member move for the CRA Board Attorney to initiate an investigation of possible violations of the CRA policies and State Statute regarding political activities. Mr. Orlove was very clear he was interested in clearing up the matter of whether two staff members violated the policy during their lunch hour or not on that issue. He requested the City Attorney give direction on how to proceed with the Clydesdale event and whether two members of the Community Redevelopment Agency staff violated policy on that issue.

Motion

Mr. Orlove so moved. Mr. Holzman seconded. The motion passed 3-2 (*Vice Chair Ross and Mr. Hay dissenting.*)

Chair Rodriguez requested a motion to call for an investigation relating to the policy and procedures of the Community Redevelopment Agency Board and the State Statute regarding the meeting that took place with the Executive Director, the former Mayor/Chair and his campaign consultant during his campaign in an attempt to undermine him.

Vice Chair Ross explained the information was based on hearsay and she cautioned all the members to be reasonable.

Mr. Holzman inquired if having an opinion on a race was a violation of a staff member's position and whether an opinion on a potential candidate was a violation of one's duty.

Chair Rodriguez explained he wanted the matter cleared up and finalized as there were things stated related to political activity.

Mr. Hay explained Chair Rodriguez would have to be included in this investigation because numerous times he went into District II and made derogatory statements about him to his constituents, and he was trying to undermine him.

Chair Rodriguez explained the item pertained to the policy at the political activity at the CRA level and State level.

There was discussion the Chair was alleging through a third party that the Executive Director was electioneering against the current Chair and Mr. Holzman inquired if simply stating one's opinion was an actual violation of State Statute. Attorney Cherof responded he did not think it was a violation. The handouts were specific. The provisions relating to interference were more specific than just having an opinion. The laws were on the books.

The cost of an investigation was \$5,136. Ms. Bright explained the campaign consultant, Kathy Daley, was from Delray Beach. She knew her and she was asked to have lunch with her to find out whether she was a threat to Mr. Rodriguez' campaign. She offered to subject herself to any investigation.

Motion

Chair Rodriguez passed the gavel to Vice Chair Ross and offered a motion in regard for transparency and policy and accountability that the Board also, in addition to the investigation being done on the employees that this investigation also include the incident by which the Executive Director engaged in interfering in his campaign with his campaign manager. Mr. Holzman seconded the motion.

Attorney Cherof explained the Board could go to an agency that previously dealt with an issue like this, and inquire and speak to someone who prosecuted a violation of this nature, the manner they approached it and their success in that endeavor. This could help define the line and if there was case or administrative law in which to make a judgment.

Motion

Mr. Holzman offered a substitute motion, that instead of just entering into an investigation, that there be clarity on what Legal mentioned. He wanted due diligence prior to launching an investigation.

Attorney Cherof clarified the motion would be for the Board Attorney to do some legal research regarding the viability of even conducting an investigation and what the

potential outcome and remedies would be. Mr. Holzman so moved. Chair Rodriguez seconded.

Vote

The motion failed 2-3 (*Vice Chair Ross and Messrs. Orlove and Hay dissenting.*)

- C. Revoke the CRA Board Policy Requirement for the Public Comment Log to be presented on the Monthly CRA Board Agenda

Ms. Bright explained in 2009, when the Board reviewed the Administrative Policy and Procedures Manual, she learned the public comment log had been a recommendation made by the attorney and the log was brought forward every month as an informational item. In April, during her weekly meetings with the Chair, he recommended the item be removed from the agenda. There were other logs in place such as the CRA Police log, Arts Commission minutes, Planning and Zoning and other general information.

Mr. Orlove left the dais at 9:30 p.m.

Mr. Hay preferred the public comments remain on the agenda. Chair Rodriguez explained it was a lot of information that did not have to be included with the agenda but it still could be made available. The Police Log would be provided quarterly or every other month and he pointed out the suggestion was agreed to by the Executive Director. Mr. Hay contended those decisions should be made by the Board. Chair Rodriguez explained the items take up the staff's time and resources to put it together. The members meet with the Executive Director more regularly and the information could be obtained then.

It was noted the information was removed from the last few agendas, but the policy was before the Board. Mr. Hay contended the Board could have easily made the decision if the Executive Director felt it was taking too much time, they could have addressed it. He felt the Chair had a habit of changing things and it blind-sided other members. Mr. Hay had been plotting the information and then it was removed.

Mr. Orlove returned at 9:34 p.m.

He felt it was a matter of teamwork. We have to communicate and work with each other. Chair Rodriguez contended Mr. Hay was constantly fighting and challenging him and the Chair's job was to make things better. Mr. Hay pointed it was not a one-man job; rather it was something that should be decided on as a Board. The Board decided to put those items on the agenda. If they were removed, then it should be done by the Board.

Motion

Mr. Holzman moved to approve (the revocation). The motion died for lack of a second. The reports would appear on the agenda.

D. Review of CRA and 2006 Board Adopted Rules of Governance

Ms. Bright explained the item was presented at the request of Mr. Hay and Attorney Cherof. She and Mr. Hay met and he requested mini-Board training mainly for the newer Board members. There were many comments made about the Executive Director and staff not promoting or supporting the downtown. She wanted to ensure all parties who believe staff or the Board did not bring forth items prior to the recent discussion that the Historic House and Gardens, 211 Ocean, and Ruth Jones Cottage, were part of the approved projects budget. She also indicated she made a full presentation of progress from 2006 to 2009.

The PowerPoint presentation, which is available for public inspection at the Office of the City Clerk, was reviewed. Highlights of the presentation were:

- How Community Redevelopment Agencies are created
- The Community Redevelopment Agency plans
- Florida Statute 163.360
- The Mission Statement
- What CRAs could and could not do
- The Redevelopment Trust Fund
- Financial Reporting requirements
- Tax Increment Financing
- Community Redevelopment Agency project funding history
- Challenges to redevelopment

Mr. Hay commented on staff not being present at the meetings. He noted in the past Community Redevelopment Agency staff members and the Executive Director had comments, as contained in Item 7 of the procedures. He reported he researched the matter and ascertained staff was asked not to be present due to their body language influencing the Board's decisions. Mr. Hay was offended and explained he sees it occur on the Board and with the public.

Mr. Hay noted the CRA had an award-winning staff and staff needed to be present. Ms. Bright explained she had no objection to having the staff present and offered that when it was discussed, the staff was upset and she felt it was appropriate that they no longer attend. She agreed to discuss it with the staff and noted they try to be cooperative. If the staff was offensive to anyone, she addressed it.

Mr. Hay read Item 7C of the procedures as follows:

“The CRA staff members offer their comments and recommendations (The CRA generally limits CRA staff presentation to 15 minutes.)“

Mr. Hay emphasized staff could not offer their comments if they were not present.

XIII. New Business:

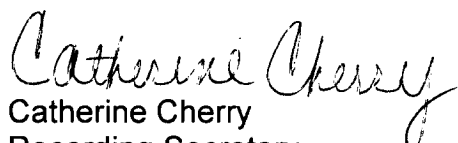
None.

XIV. Future Agenda Items

- A. Children's Schoolhouse Amphitheatre
- B. Ocean Avenue Marina Signage Entryway Feature
- C. Small Business Incubator for Heart of Boynton Redevelopment Plan
- D. Boynton Beach Boulevard Signage Entryway Feature

XV. Adjournment

There being no further business to discuss, the meeting properly adjourned at 9:57 p.m.


Catherine Cherry
Recording Secretary
061010